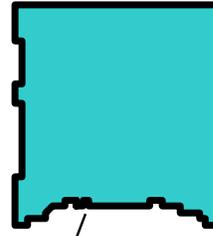
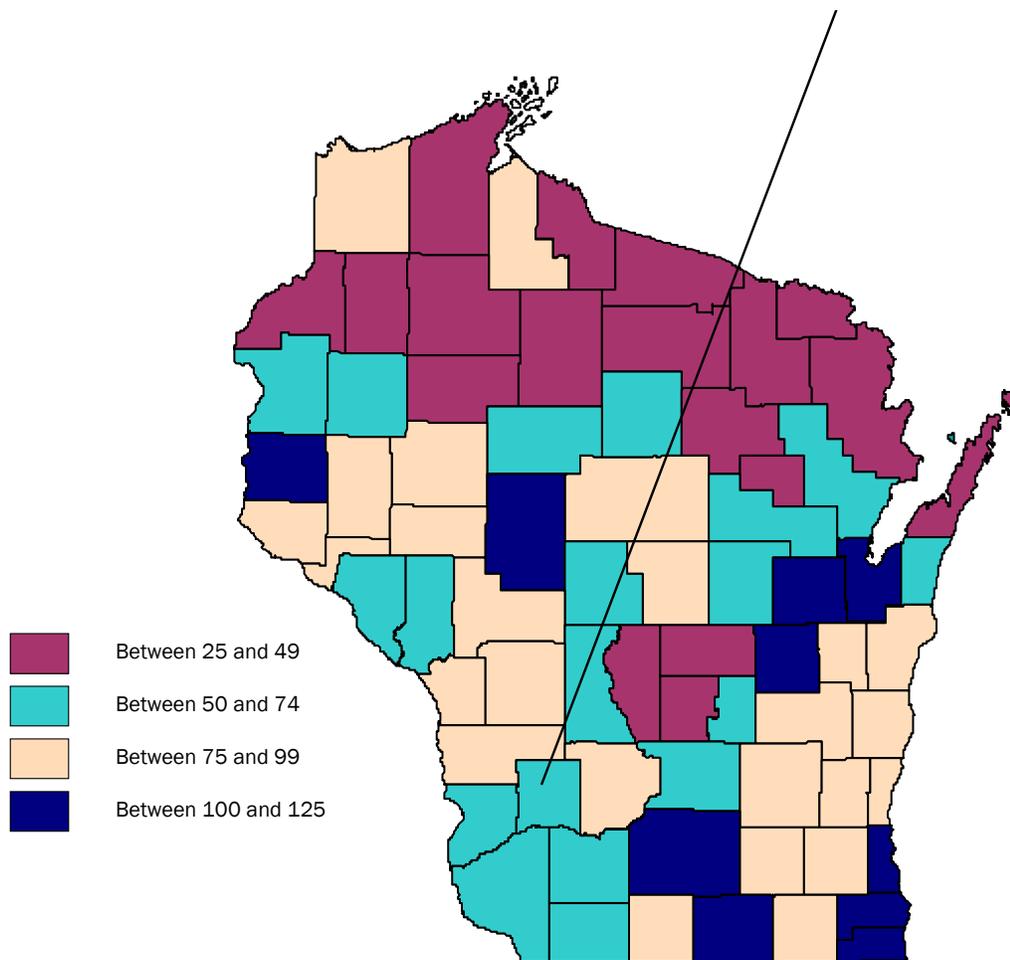


# Richland County Workforce Profile



The number of residents aged 25-29 years for every 100 residents aged 60-64 years in year 2025



Source: Wisconsin Department of Administration, Demographic Services Center and the U.S. Bureau of Census.

For comparison, it is projected that there will be 90 residents aged 25-29 for every 100 residents aged 60-64 in Wisconsin in 2025. Nationally, it is projected that there will be 101 residents aged 25-29 for every 100 residents aged 60-64. In 2003, Wisconsin had 146 residents aged 25-29 for every 100 aged 60-64.



## County Population

Richland County's population has grown one percent (174 residents) over the previous four years. Like a number of counties in southwest Wisconsin, Richland's population has grown more slowly than both state and national averages and is actually less populated now than it was a century ago.

The City of Richland Center is the county's hub with close to 28 percent of the county's residents. However, faster popula-

tion growth occurred in the county's smaller towns and villages. For a non-metropolitan county, Richland's population growth has been relatively balanced between net in-migration and natural change. Population growth in smaller counties is usually the result of net in-migration of population, with very little natural change.

Population dynamics are key measurements in terms of labor market information and future economic vitality. One should not only examine how much the population has changed, but they should also anticipate its future change. The graph to the immediate right plots Richland's projected total population in 2005 and 2030 by five-year age group. One can conclude from this data that the bulk of population growth will skew to an older demographic, while the younger population becomes smaller.

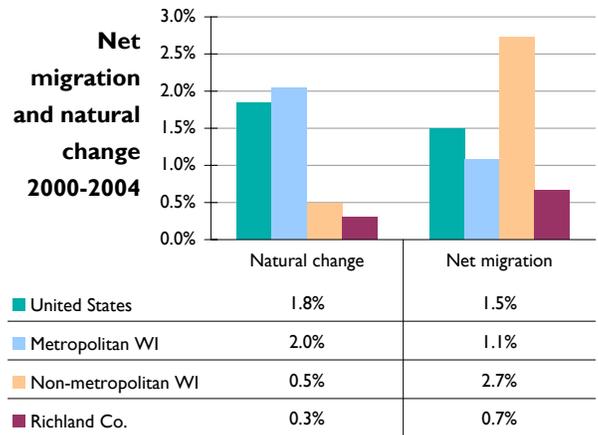
Richland County's total population is projected to grow six percent adding close to 1,100 more residents between 2005 and 2030. For comparison, the state's projected growth rate is 15 percent. Slower population growth is not unique to Richland, nor southwest Wisconsin for that matter, but the way it is projected to change via age composition will speak volumes about Richland's future labor market.

From a broad age-group perspective, the number of residents ages 19 years and younger will decrease by about four percent over this 25-year period. The number of those in their "prime working years", ages 20 to 59 years, will shrink by about eight percent. And Richland's residents ages 60 years and older are projected to increase 51 percent. From a compositional point of view, those 19 and younger are projected to decrease from 27 percent of the total population to about 24 percent. The 20 to 59 year-olds will decrease from 52 percent to 45 percent of the total population. The number of those 60 years and older will increase from 22 percent to 31 percent of the total.

### Total Population

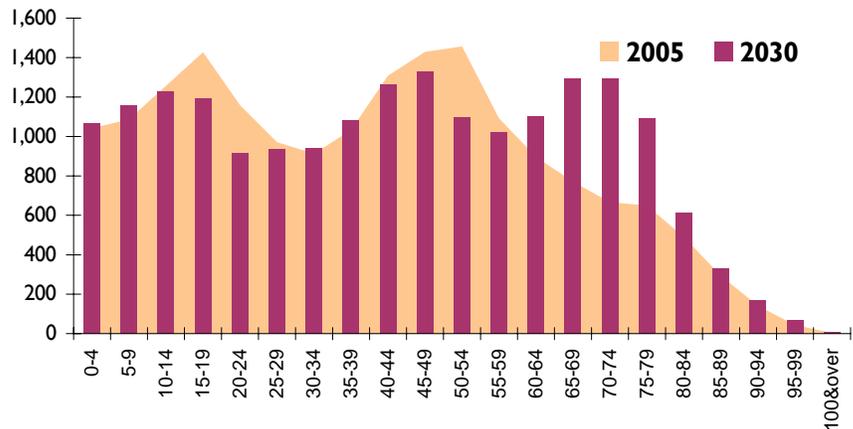
	April 2000 Census	Jan. 1, 2004 estimate	Numeric change	Percent change
<b>United States</b>	281,421,906	292,287,454	10,865,548	3.9%
<b>Wisconsin</b>	5,363,715	5,532,955	169,240	3.2%
<b>Richland County</b>	17,924	18,098	174	1.0%
<b>Largest Municipalities</b>				
Richland Center, City	5,114	5,151	37	0.7%
Buena Vista, Town	1,575	1,608	33	2.1%
Richland, Town	1,364	1,372	8	0.6%
Lone Rock, Village	929	905	-24	-2.6%
Rockbridge, Town	721	748	27	3.7%
Dayton, Town	723	734	11	1.5%
Ithaca, Town	648	669	21	3.2%
Orion, Town	628	646	18	2.9%
Richwood, Town	618	627	9	1.5%
Westford, Town	594	603	9	1.5%

Source: Wis. Dept. of Administration, Demographic Services and U. S. Census Bureau



Source: WI Dept. of Admin., Demographic Services and U. S. Census Bureau

### Population by Age Groups in Richland County



Source: WI Dept. of Administration, Demographic Services

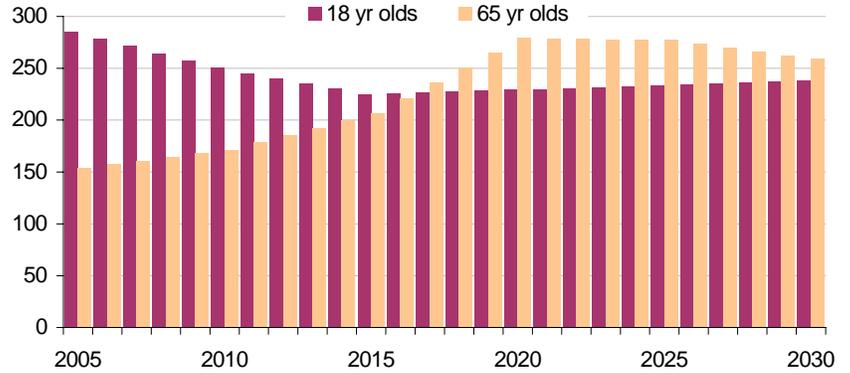
## Future Population and Labor Supply

What do all these percentages mean in light of Richland's workforce? The graph to the right plots the projected numbers of those ages 18 and 65 in Richland County each year from 2005-2030. These ages were chosen to be symbolic of those entering and exiting the workforce. The reader will notice that the number of those turning 18 each year will decrease by about 20 percent and level off while the number of those age 65 will increase by about 80 percent and will eventually outnumber those whom are age 18 in Richland County.

These demographic forecasts present a number of issues to address. One is that the number of those leaving the workforce will exceed those entering. One should keep in mind that there have already been acute labor shortages in the late 1990s; a time that did not present such age disparities. The coming years will experience labor shortages that may be more pronounced particularly in occupations that tend to be filled by those of a certain age group, or gender, or educational background. Another issue is that as the population ages; the economy changes. As residents age they place more demand on the community's providers of goods and services, i.e., health services, retail trade, leisure and hospitality, etc.

Employers will compete for workers as they always have, but some skilled and educated workers could be in shorter supply relative to increased demand fueled by a demographically changing population. The labor force will be older on average though it is uncertain whether workers will remain in the labor force longer than they do currently. Trends suggest that workers are retiring

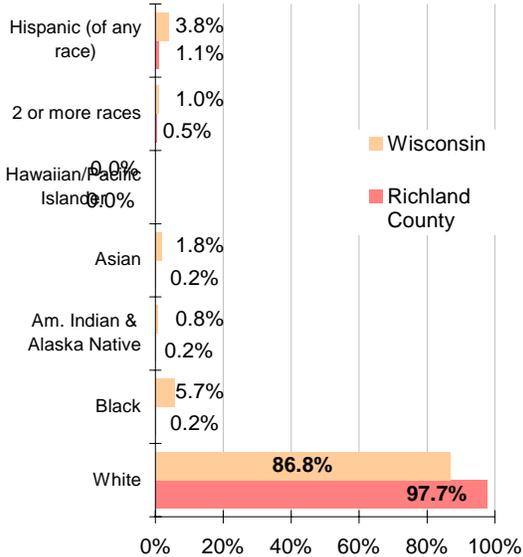
Convergence of 18 & 65 year old population in Richland County



Source: WI Dept. of Administration, Demographic Services

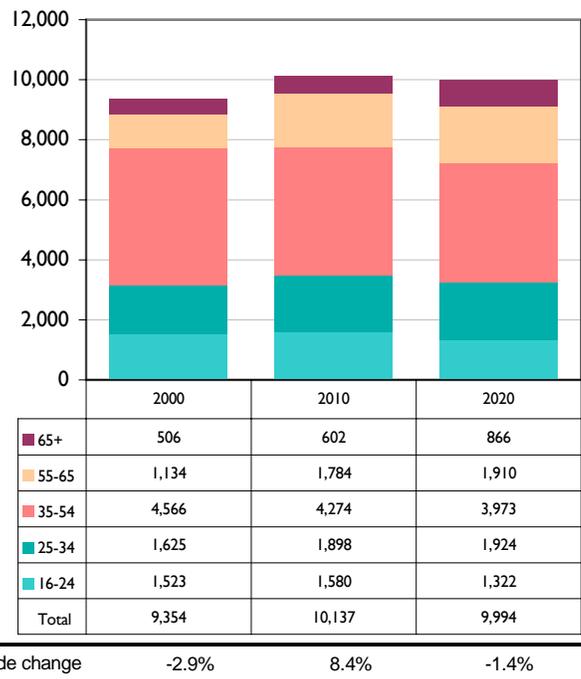
at younger ages. The term 'retirement' is subjective as many retirees rejoin the workforce, though usually in a reduced capacity. But the older workforce is a very small portion of the total as the labor force participation rate of those 65 and older is considerably lower than average. For example it is estimated that 33 percent of those ages 65-69 in Richland County are in the labor force, which is actually higher than average for this age group, but at ages 70 years and older, this percentage is drops into the 'teens and single digits as one might expect.

Race and ethnic distribution



Source: U.S. Census Population Characteristics Estimates, 2002

Richland County Labor Force Projections by Age



Source: DWD, Office of Economic Advisors, August 2004

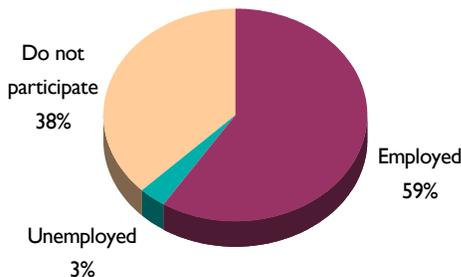
## Current Labor Force

Richland County's annual unemployment rate decreased slightly to 5.1 percent in 2003. While the decrease in the number of unemployed was welcome, the unemployment rate continued to be higher from a historical context. The recession in 2001 and the slow employment recovery have directly affected Richland County's labor force.

Richland's labor force participation rate (LFPR) was 62.4 percent in 2003, which was below the state and national

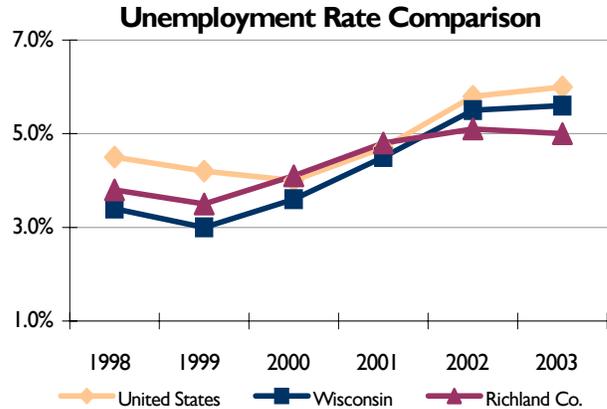
averages of 72.9 and 66.2 percent, respectively. The decrease in LFPR, generally, will be a result of the county's age demographics and not necessarily economic events or cycles.

### Labor force participation in Richland County



Source: DWD, Office of Economic Advisors, July 2004

averages of 72.9 and 66.2 percent, respectively. Richland's LFPR conversely indicates that almost 38 percent of the population ages 16 and older did not participate for reasons such as retirement, full-time school attendance, barriers to entry into the workforce, and insurmountable disabilities. In all likelihood, Richland County's LFPR will gradually decrease



### Richland County Civilian Labor Force Data

	1998	1999	2000	2001	2002	2003
Labor Force	8,855	8,200	8,396	8,444	8,464	8,779
Employed	8,515	7,916	8,053	8,040	8,034	8,342
Unemployed	340	284	343	404	430	437
Unemployment Rate	3.8%	3.5%	4.1%	4.8%	5.1%	5.0%

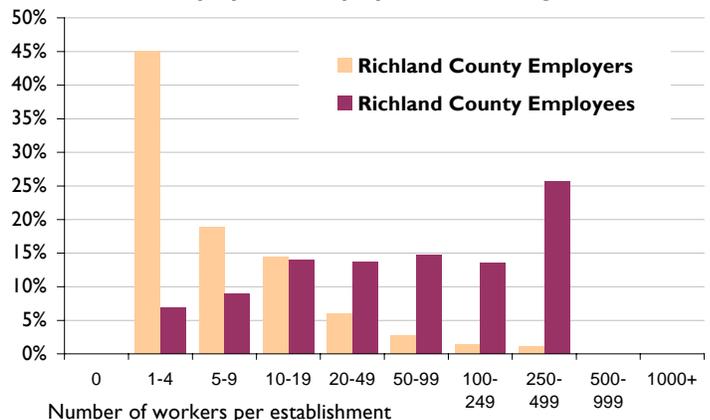
Source: WI DWD, Bur. of Workforce Information, Local Area Unemployment Statistics, 2003

## Employers by Size

The majority of Richland County's employers are small, as approximately 78 percent of them employ between one and 19 workers. While this may seem to be an inordinately large share of smaller employers it is actually a typical share for a county this size. The term "small employer" is subjective. Some define it as an employer with less than 500 employees and some define it as low as 20 employees or fewer. Data regarding Richland employers with 500-999 employees has been withheld from this graph, but the next page lists an employer in this size range. The county has no employers with 1,000 or more employees.

From the employee perspective, the largest share of the county's employees work in establishments that employ 250-499 workers (equaling 25 percent of Richland County's total employment). On average, the number of employees is 14 per employer in Richland County. This is lower than the state average of 17, but is slightly higher than the national average, which is 13 employees per employer.

### Share of employers & employees in size range in 2003



Source: DWD, Bureau of Workforce Information, Table 221, July 2004

## Industry & employers by size

Examination of a county's labor market from the demand (employer) point of view is essential to gauge the type of workforce employers are seeking. The tables below outline the top employers by industry and the top employers by name and establishment size. The pie-graphs to the bottom indicate the prominence of these top industries and employers in terms of the county's total employment.

It is common for services-providing sectors to show the larg-

est and fastest employment growth in both one- and five-year periods. Some goods-producing sectors, like manufacturing industries, may still show a large employment presence, but they may show a loss of employment over these timeframes, too. It is also common for many counties traditionally heavy in goods-producing employment to now have services-providers, particularly health and education services, as their larger employers and industry sectors.

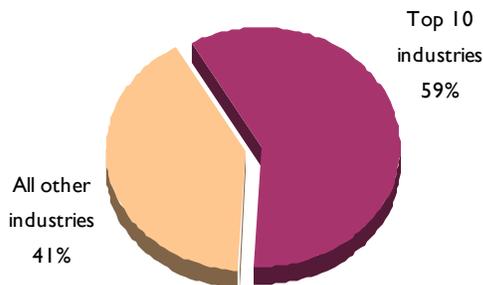
### Top 10 Industries in Richland County

Industry	March 2004		Numeric Employment Change	
	Establishments	Employees	2003-2004	1999-2004
Electrical equipment & appliances	suppressed	suppressed	not avail.	not avail.
Food manufacturing	7	458	53	183
Educational services	5	456	-28	-15
Nursing & residential care facilities	9	362	53	not avail.
General merchandise stores	suppressed	suppressed	not avail.	not avail.
Transportation equipment manufacturing	suppressed	suppressed	not avail.	not avail.
Food services & drinking places	23	329	22	-29
Hospitals	suppressed	suppressed	not avail.	not avail.
Executive, legislative, & gen government	19	171	-26	-42
Ambulatory health care services	15	156	14	22

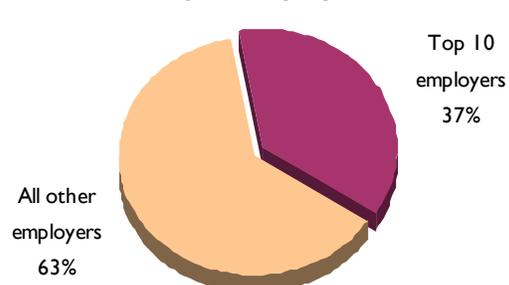
### Top 10 privately owned Employers in Richland County

Establishment	Product or Service	Size (Dec. 2003)
Rockwell Automation Inc.	Relay and industrial control manufacturing	500-999 employees
S & S Cycle Inc.	Gasoline engine and engine parts mfg.	250-499 employees
Wal-Mart	Warehouse clubs and supercenters	250-499 employees
Richland Hospital Inc.	General medical and surgical hospitals	250-499 employees
Morningstar Foods Inc.	Fluid milk manufacturing	100-249 employees
Schneider Fuel & Supply Co.	Iron foundries	100-249 employees
Merkle-Korff Industries Inc.	Motor and generator manufacturing	100-249 employees
Foremost Farms USA Coop.	Cheese manufacturing	100-249 employees
Hilltop Valley Dairy LLC	Fluid milk manufacturing	50-99 employees
Schmitt Woodland Hills Inc.	Homes for the elderly	50-99 employees

Share of jobs in top 10 industries in Richland County



Share of Richland County jobs with top 10 employers



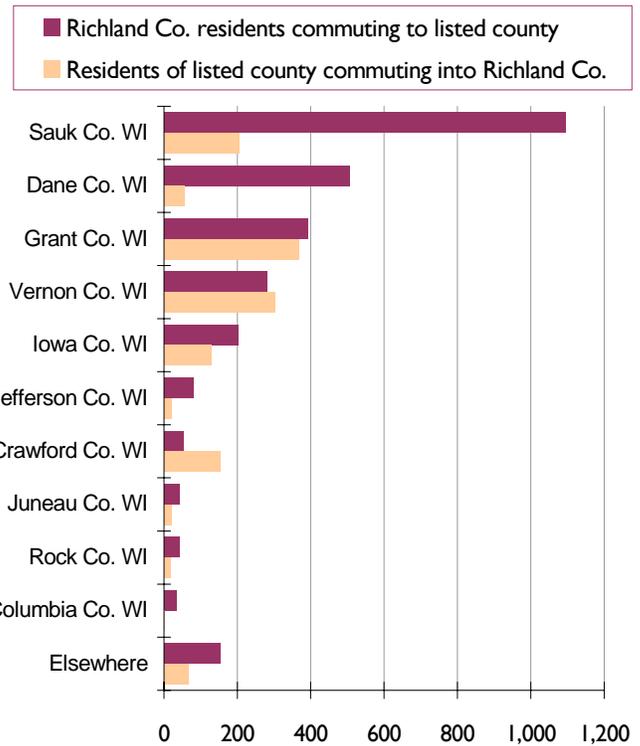
Source: DWD, Bureau of Workforce Information, Quarterly Census of Employment and Wages

## Commuting

Approximately one out of every three workers living in Richland County works outside of their home county. This out-commute ratio is higher than the state's average, which is about one out of every four workers. This equates to an estimated 2,900 workers commuting out of Richland County.

The majority of Richland's out-commuters (1,100) travel east into Sauk County. Dane County receives the second-highest total at just over 500 of Richland's workers. Theoretically, some degree of commuting out of Richland County is necessary due to the fact that is that is home to more workers (8,700 workers) than it has jobs (6,000 jobs). This disparity is not alarming, nor unique to Richland County. Differences like these are common in small counties, especially those adjacent to counties with larger economic bases that depend upon commuters for their labor supplies, such as Dane County and to a degree Sauk County.

But Richland County also attracts workers from other counties, despite its negative net commuting patterns showing more resident workers leaving than the number of non-resident workers coming into Richland County. Approximately 1,300 workers living outside of Richland County work in Richland. This equates to about one out of every five jobs in Richland County being held by a non-Richland resident showing how dynamic a small county labor markets can be.



Source: U.S. Census 2000, Special tabulations: Worker Flow Files

## Key occupations & wages

The table to the right lists the occupations with the most employment in the Crawford Labor Supply Area as of May 2003. Their hourly wages are also displayed.

The hourly wages shown include the mean (average) and the median (50<sup>th</sup> percentile), which are the most frequently requested occupational data. The 25<sup>th</sup> and 75<sup>th</sup> percentile wages are also included to help give an indication of entry-level and experienced worker wages, respectively. The 25<sup>th</sup> percentile indicates that 75 percent of the total workers in this occupation earn more per hour than this wage. The 75<sup>th</sup> percentile wage indicates that 25 percent of workers make more than this hourly wage.

If the mean and median wages are relatively close, the labor market for this worker is probably tight or very competitive for hiring employers. If the median is significantly below the mean, an employer offering mean wages should have an advantage in attracting workers. However, prospective workers will likely find a higher than average level of competition for these jobs.

Occupation title	Hourly Wages			
	Mean	Percentile		
		25 <sup>th</sup>	50 <sup>th</sup>	75 <sup>th</sup>
Retail salespersons	\$9.30	\$6.84	\$8.05	\$9.71
Cashiers	\$7.49	\$6.35	\$7.36	\$8.47
Janitors & cleaners, except maids & hskpg. cleaners	\$9.58	\$7.75	\$9.69	\$11.24
Truck drivers, heavy & tractor-trailer	\$16.26	\$12.50	\$15.50	\$18.26
Nursing aides, orderlies, & attendants	\$9.37	\$8.54	\$9.48	\$10.39
Elem. school teachers, except special ed.	-	-	-	-
Secretaries, except legal, medical, & executive	\$11.25	\$9.69	\$11.15	\$12.99
Bookkeeping, accounting, & auditing clerks	\$11.08	\$9.23	\$10.72	\$13.00
Team assemblers	\$11.24	\$8.34	\$9.76	\$12.61
Middle school teachers, except special & voc. ed.	-	-	-	-
Teacher assistants	-	-	-	-
Office clerks, general	\$9.44	\$7.49	\$9.14	\$11.16
Registered nurses	\$20.50	\$18.10	\$20.00	\$21.95
Truck drivers, light or delivery services	\$10.51	\$7.92	\$10.78	\$12.62
Sec. school teachers, except special & voc. ed.	-	-	-	-
Bartenders	\$7.02	\$6.43	\$7.17	\$7.88
Correctional officers & jailers	\$15.14	\$14.02	\$15.24	\$16.48
Maintenance & repair workers, general	\$12.30	\$9.19	\$12.01	\$14.99
Bus drivers, school	\$12.78	\$9.45	\$12.21	\$15.55
Comb. food prep. & serving workers (fast food)	\$7.23	\$6.20	\$7.01	\$8.13

Richland County is part of an area which includes Crawford, Grant, Lafayette, Richland and Vernon counties.

## Employment and Wages

The overall wage paid in Richland County was about 74 percent of the state average in 2003. Compared to all of Wisconsin's non-metropolitan counties combined, Richland's annual average wage is 90 percent of this aggregate's average. Its average annual wage ranks 53<sup>rd</sup> highest of the state's 72 counties.

Richland's highest paying industry sector is manufacturing and it also happens to be its largest employing sector. Employment in this sector is at a premium to the local economy because the sector's share of total wages paid in the county are disproportionately higher than its percentage of total employed. The graph below outlines these sectors' distribution of employment and wages in Richland County. The education and health services sector shares manufacturing's disproportional attributes between employment and wages. The remaining industry sectors' average annual wages range from 57 percent to 83 percent of the states' respective averages.

The annual wages that an industry pays can depend upon many factors such as its geographic location, seasonal activity, presence of workers under collective bargaining agreements, etc. But the most crucial wage component is an industry's occupational composition. Some industries employ higher than average shares of skilled/educated workers commanding

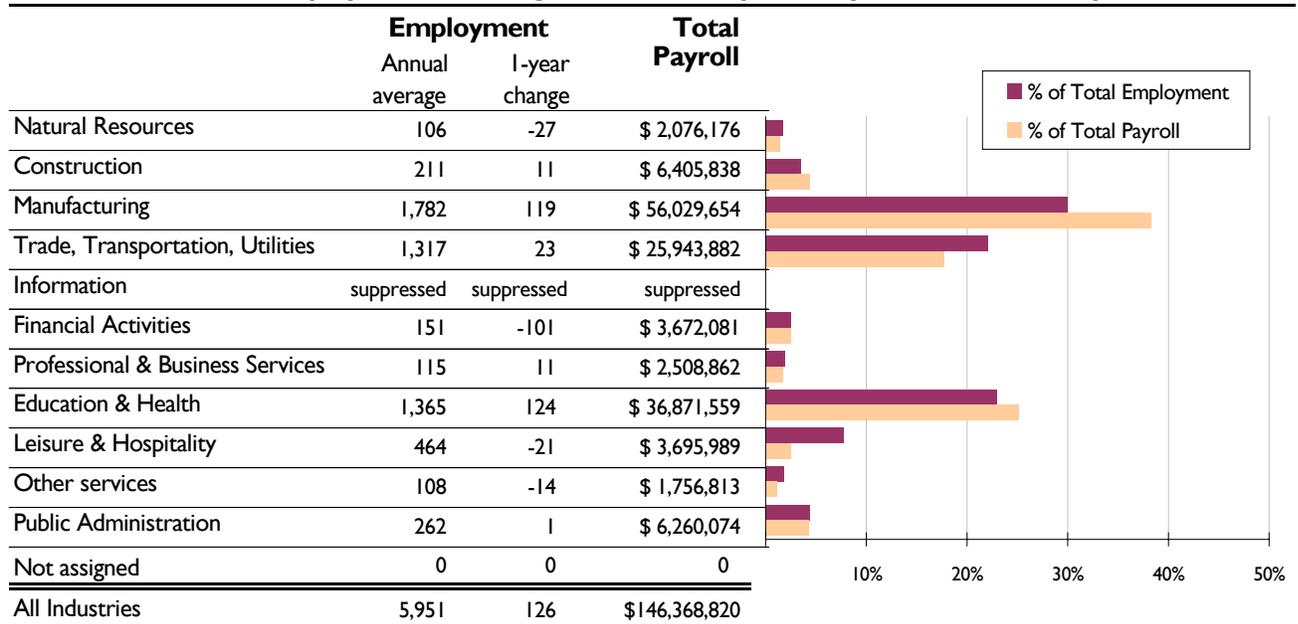
### Average Annual Wage by Industry Division in 2003

	Average Annual Wage		Percent of	1-year
	Wisconsin	Richland County	Wisconsin	% change
All Industries	\$ 33,423	\$ 24,596	73.6%	5.9%
Natural resources	\$ 25,723	\$ 19,587	76.1%	-7.4%
Construction	\$ 40,228	\$ 30,359	75.5%	5.5%
Manufacturing	\$ 42,013	\$ 31,442	74.8%	8.1%
Trade, Transportation, Utilities	\$ 28,896	\$ 19,699	68.2%	1.2%
Information	\$ 39,175	suppressed	Not avail	Not avail.
Financial activities	\$ 42,946	\$ 24,318	56.6%	25.0%
Professional & Business Services	\$ 38,076	\$ 21,816	57.3%	8.3%
Education & Health	\$ 35,045	\$ 27,012	77.1%	-1.0%
Leisure & Hospitality	\$ 12,002	\$ 7,965	66.4%	2.6%
Other services	\$ 19,710	\$ 16,267	82.5%	24.0%
Public Administration	\$ 35,689	\$ 23,893	66.9%	9.2%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

higher salaries. Some employ proportionately more entry-level, part-time or seasonal workers. Leisure and hospitality employment represents approximately eight percent of Richland County's employment yet pays a disproportionately low three percent of the county's total wages; evidence of its seasonal and part-time employment characteristics. Census data show Richland's worker composition is higher than statewide average in production, transportation and material moving occupations as well as farming occupations. Its composition is lower than average in management/professional occupations and in sales and office occupations.

### 2003 Employment and Wage Distribution by Industry in Richland County



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2004

## Per Capita Personal Income (PCPI)

Income is the resultant combination of all manners in which people or families or households obtain monies. Generally, the majority of a county's total income is obtained from job wages, though Richland County residents, as a whole, obtain a significantly lower than average share of their total income from these earnings (graph, bottom right). The county obtains a higher than average share of its total income from governmental transfer payments and investment dividends and interest payments. Richland has a larger than average elderly population, which explains the higher than average ratio of governmental transfer payments. These payments include social security, government retirement benefits, Medicare and various other benefits.

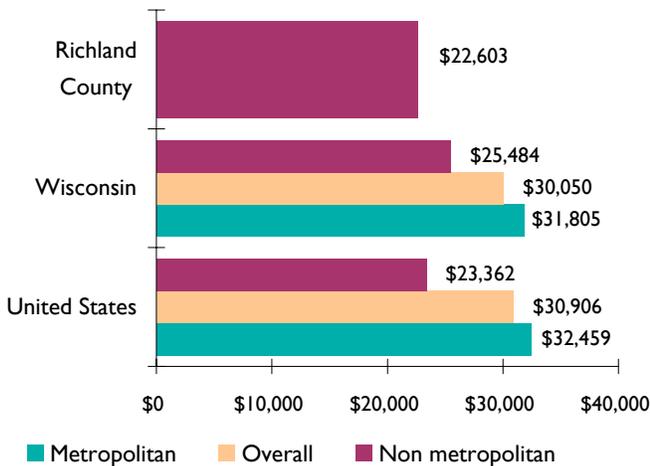
Per Capita Personal Income (PCPI) is the most utilized statistic

in referencing a local area's comparative economic health. Richland County's PCPI has increased faster than both the state and U.S. PCPI over the last five years. Interestingly, Richland's total personal income growth (not shown) has grown slightly slower than the state's. Richland's slower total net earnings growth, has dampened total personal income growth, but its faster growth in retirement income and dividends, interest and rent income in both total and per capita terms has helped bolster its faster PCPI growth. The fact that the county's population has not increased rapidly also likely played a small role in its faster PCPI growth as its population denominator did not grow so fast or large dividing into a slower than average growing total income pool.

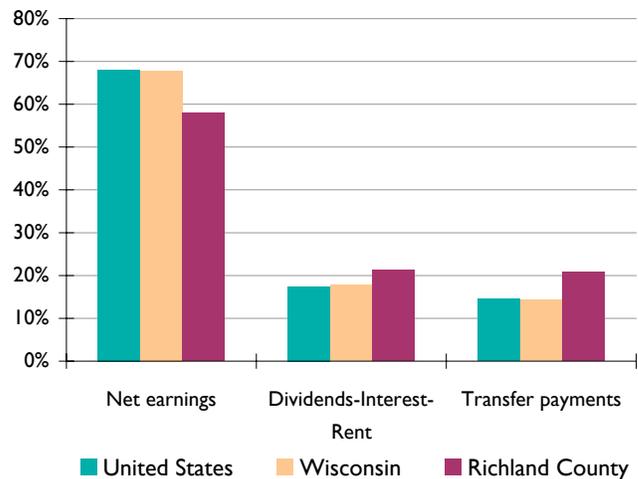
	Per Capita Personal Income						Percent Change	
	1997	1998	1999	2000	2001	2002	1 year	5 year
United States	\$25,334	\$26,883	\$27,939	\$29,847	\$30,527	\$30,906	1.2%	22.0%
Wisconsin	\$24,514	\$26,175	\$27,135	\$28,573	\$29,361	\$30,050	2.3%	22.6%
Non-metropolitan WI	\$20,734	\$22,195	\$22,900	\$24,059	\$24,833	\$25,484	2.6%	22.9%
Richland County	\$18,301	\$19,546	\$20,270	\$20,917	\$22,153	\$22,603	2.0%	23.5%
<b>In current dollars (adjusted to U.S. CPI-U)</b>								
United States	\$28,397	\$29,670	\$30,170	\$31,181	\$31,010	\$30,906	-0.3%	8.8%
Wisconsin	\$27,478	\$28,889	\$29,301	\$29,850	\$29,825	\$30,050	0.8%	9.4%
Non-metropolitan WI	\$23,240	\$24,497	\$24,728	\$25,135	\$25,226	\$25,484	1.0%	9.7%
Richland County	\$20,514	\$21,572	\$21,888	\$21,853	\$22,503	\$22,603	0.4%	10.2%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, May 2004

2002 Per Capita Personal Income



Components of Total Personal Income: 2002



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2004

The county workforce profiles are produced annually by the Office of Economic Advisors in the Wisconsin Department of Workforce Development. The author of this profile and regional contact for additional labor market information is:

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 email: William.Brockmiller@dwd.state.wi.us

**Metropolitan Statistical Area (MSA)** - A single county or group of counties that include at least one urbanized area with a minimum population of 50,000. Multiple-county MSAs have a central county or counties, which have a high degree of social and economic integration with the other member counties as measured by commuting data.

**Non-metropolitan county** - Any county that is not a member of a metropolitan statistical area.

**Net Migration** - One of two components of population change. It is the net result of individuals who either moved into or out of an area.

**Natural Change** - One of two components of population change. It is the result of the number of births minus the number of deaths in an area over a period of time. A natural increase indicates there were more births than deaths. A natural decrease indicates there were more deaths than births.

**Employed** - Persons 16 years of age or older, who worked as paid employees, or worked in their own business, profession or farm, or worked 15 hours or more as unpaid workers in a family-operated enterprise. Includes those temporarily absent from their jobs due to illness, bad weather, vacation, childcare problems, labor dispute, maternity or paternity leave, or other family or personal obligations.

**Unemployed** - Persons 16 years of age or older with no employment, who were available for work and made efforts to find employment sometime during the previous 4-week period ending with the monthly reference week. Persons who were awaiting recall to a job did not need to look for work to be classified as unemployed.

**Labor Force** - The sum of the employed and unemployed, whom are at least 16 years of age and older.

**Unemployment Rate** - The number of unemployed divided by the labor force. It is expressed as a percentage of the labor force.

**Labor Force Participation Rate (LFPR)** - The labor force divided by the total population aged 16 years and older. It is expressed as a percentage of the population aged 16 years and older.

**Suppressed** - Data is withheld or suppressed if it does not meet certain criteria. If an industry in a county has fewer than three employers or if a single employer employs 80% or more that industry's total employment in that county then the data are suppressed. These criteria were established to maintain the confidential reporting of payroll and employment by employers.

**Total Personal Income** - The aggregate income of an area received by all persons from all sources. It is calculated as the sum of wage and salary disbursements (less contributions for government social insurance), supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts that include retirement and veteran's benefits, government paid medical reimbursements, and income maintenance program payments.

**Per Capita Personal Income (PCPI)** - Total personal income divided by the total population.

**Current Dollars** - Phrase used to express historical dollar values in terms of their current purchasing power via inflation adjustment.

**CPI-U** - Consumer Price Index for all urban consumers, the most commonly used measure of inflation in the United States.